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10 **ATTORNEYS FOR JURISDICTIONAL**  
11 **DEFENDANTS**

12 **UNITED STATES DISTRICT COURT**  
13 **CENTRAL DISTRICT OF CALIFORNIA**  
14 **WESTERN DIVISION**

15 **DAVID HOUGH; ET AL**

16 *Plaintiffs,*

17 **v.**

18 **RYAN CARROLL; ET AL**

19 *Defendants.*

20 Case No.: 2:24-cv-02886

21 Assigned for all purposes to:  
22 JUDGE WESLEY L. HSU

23 **JURISDICTIONAL DEFENDANTS**  
24 **RYAN CARROLL; MAX K. DAY;**  
25 **MAX O. DAY; MICHAEL DAY;**  
26 **YAX ECOMMERCE LLC;**  
27 **PRECISION TRADING GROUP,**  
28 **LLC; AND WA DISTRIBUTION**  
**LLC'S EX PARTE APPLICATION**  
**TO CONSIDER MOTION FOR**  
**LEAVE TO RELEASE FUNDS**

Hearing: 12/13/24, 1:30 PM PT

Action Filed: April 9, 2024  
Trial Date: N/A

1       **TO THE COURT, ALL PARTIES AND THEIR ATTORNEYS OF**  
2       **RECORD:**

3       **PLEASE TAKE NOTICE** that pursuant to Federal Rule of Civil Procedure  
4       16(b), L.R. 7-19.1 Jurisdictional Defendants Ryan Carroll; Max K. Day; Max O.  
5       Day; Michael Day; Yax Ecommerce LLC; Precision Trading Group, LLC; and WA  
6       Distribution LLC (**“Jurisdictional Defendants”**) hereby files this *ex parte*  
7       application to consider their Motion for Leave to Release Funds.  
8

9       Good cause exists for advancing the hearing, as the Jurisdictional Defendants  
10       have been diligent participants in this case since its inception. Despite their diligence,  
11       they have been unable to make further attorney payments due to the asset freeze  
12       ordered by the Court in April 2024. Dkt. 17. Expeditious resolution of this motion  
13       will allow Jurisdictional Defendants to move forward with this matter, to the benefit  
14       of all parties.  
15

16       Pursuant to L.R. 7-19.1, Jurisdictional Defendants’ counsel conferred with  
17       Plaintiff’s counsel on November 21, 2024 to provide notice of this Application.  
18       While Plaintiff’s counsel opposes the substance of the motion, Plaintiff’s counsel  
19       does not oppose to the filing of this Motion on an *ex parte* basis.  
20

21       This Application is based on the accompanying Memorandum of Points and  
22       Authorities, all pleadings and records on file in this action, and any evidence or  
23       argument presented to the Court at or before the hearing on this Application (if any).  
24       Jurisdictional Defendants respectfully request that the Court (1) Consider  
25         
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1 Jurisdictional Defendants’ Motion for Leave to Release Funds *ex parte*; and (2) Enter  
2 an Order granting the Motion for Leave to Release Funds.  
3

4 This *ex parte* Application is further made on the grounds that the Court  
5 previously ordered Jurisdictional Defendants to seek further leave of the Court in  
6 order to make “payment of any other legal fees and costs”. Dkt. 127.  
7

8 Dated: November 8, 2024

Respectfully submitted,

9 Long Beach, CA

By: /s/ William H. Shibley  
William H. Shibley  
Attorney-in-Charge  
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1 COME NOW SPECIALLY APPEARING DEFENDANTS RYAN  
2 CARROLL; MAX K. DAY; MAX O. DAY; MICHAEL DAY; YAX  
3 ECOMMERCE LLC; PRECISION TRADING GROUP, LLC; and WA  
4 DISTRIBUTION LLC, and hereby files *Jurisdictional Defendants' Ex Parte*  
5 Application to consider their Motion for Leave to Release Funds ("**Motion**") and  
6 respectfully shows the Court as follows:  
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10 **MEMORANDUM OF POINTS AND AUTHORITIES**

11 1. On August 26, 2024, the Court issued a ruling on the Jurisdictional  
12 Defendants' Motion to Compel. The Court granted the Motion to Compel  
13 Arbitration as to the Plaintiffs who executed the Texas Agreement, while denying  
14 the Motion to Compel Arbitration for those who signed the Florida Agreements. *See*  
15 Dkt. 127.  
16

17 2. The Court also granted leave for Jurisdictional Defendants "to make payments  
18 for legal costs and fees only to the client trust accounts of the attorneys representing  
19 them in arbitration and only for the purpose of pursuing arbitration associated with  
20 the Texas Agreements." *Id.*  
21  
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23 3. The Court further stated, "Payment of any other legal fees and costs will  
24 require Jurisdictional Defendants to seek further leave of the Court." *Id.*  
25

26 4. At this time Jurisdictional Defendants are involved in the following  
27 arbitrations in the State of Florida and Texas:  
28

- 1 • *Tyler Davidson v. Yax Ecommerce LLC d/b/a Wealth Assistants LLC; and*  
2 *Ryan Carroll*; Miami-Dade County, FL; Arbiter Joesph Huss
- 3 • *Brett and Jennifer Sanner v. Yax Ecommerce LLC d/b/a Wealth Assistants*  
4 *LLC*; Miami-Dade County, FL; Arbiters Rosa Rodriguez, Sarah Zabel, and  
5 Scott Schomber
- 6 • *Trevor Red v. Yax Ecommerce LLC d/b/a Wealth Assistants LLC; and Ryan*  
7 *Carroll; Pending Initiation*
- 8 • *Stacy Rico and Ben Brown v. Ryan Carroll*; In the Circuit Court of the 11th  
9 Judicial Circuit in and for Miami-Dade County, FL; Case No. 2023-027448-  
10 CA-01
- 11 • *Robert Harris v. Yax Ecommerce LLC d/b/a Wealth Assistants LLC; and Ryan*  
12 *Carroll*; Harris County, TX; Arbiter Filicia Harris-Hoss; AAA Case No. 01-  
13 24-0005-8132

14 5. Further, the individual Jurisdictional Defendants seek leave to pay the legal  
15 costs and fees associated with this litigation. The individual Jurisdictional  
16 Defendants wish to hire new, individual counsel for the various parties, rather than  
17 being represented collectively. They further request leave to pay the accounts  
18 receivable with current counsel, Lloyd & Mousilli, and Offit Kurman. The  
19 individual Jurisdictional Defendants have each confronted significant barriers in  
20 their search for new counsel in light of the preliminary injunction in place in this  
21 matter because the Jurisdictional Defendants have been unable to pay retainers and  
22 prospective counsel have been concerned about the payment of future fees. Dkt. 49.  
23 Leave to pay legal costs and fees associated with this case will allow each of the  
24 individual Jurisdictional Defendants to retain counsel of their choice and to bring  
25 accounts up to date with current counsel.  
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1 6. Additionally, existing counsel for the Jurisdictional Defendants have  
2 concluded that it is necessary for various defendants among the Jurisdictional  
3 Defendants to have separate counsel. Existing counsel file and support this motion in  
4 furtherance of compliance with ethical obligations associated with that conclusion.  
5

6 7. Pursuant to the Court's Order, Jurisdictional Defendants request leave to make  
7 payments for (1) legal costs and fees related to these Florida actions, (2) legal costs  
8 and fees for the matters pending in Texas, (3) legal costs and costs for the matters  
9 pending in California, (4) retainers necessary for portions of the Jurisdictional  
10 Defendants to engage separate counsel only to the client trust accounts of the  
11 attorneys representing them in those matters and only for the purpose of those  
12 matters. Dkt. 127.  
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### 16 CONCLUSION

17 Based on the foregoing and for good cause shown, Jurisdictional Defendants  
18 respectfully request that this Court grant Jurisdictional Defendants' Motion for  
19 Leave to Release Funds for the listed Florida Arbitrations, for the defense of this  
20 case, and for such other and further relief to which the Defendants may show  
21 themselves to be justly entitled.  
22  
23

24 Dated: November 22, 2024.

Respectfully submitted,

By: /s/ William H. Shibley

William H. Shibley

1 **CERTIFICATE OF COMPLIANCE**

2 The undersigned, counsel of record for Defendants, certifies that this Motion  
3 contains 929 words, which complies with the word limit of L.R. 11-6.1

4 /s/ William H. Shibley  
5 William H. Shibley  
6  
7

8 **CERTIFICATE OF CONFERENCE**

9 I hereby certify that Elizabeth Revere, Senior Counsel with Lloyd & Mousilli,  
10 conferred with counsel for Plaintiffs, via video conference on November 21, 2024,  
11 regarding the substance of the foregoing motion, as reflected in the attached  
12 affidavit. Plaintiffs are opposed to this Motion

13 /s/ Elizabeth Revere  
14 Elizabeth Revere  
15

16 **CERTIFICATE OF SERVICE**

17  
18 I hereby certify that a true and correct copy of the foregoing document, and  
19 any attachments, will be served to counsel of record, in accordance with the  
20 governing rules of procedure regarding service in this court on this **November 22,**  
21 **2024**, via email as follows:

22 /s/ William H. Shibley  
23 William H. Shibley  
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